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BUSINESS STATISTICS - JUNE, 1945.

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PART I PRIMARY AND EXPORT INDUSTRIES.

SEASON. Torrential rains resulted in devastating floods on the North Coast in the second week in June. Beside great damage in urban centres, there were heavy losses of stock, to crops and to pastures. Floods, less damaging, were also experienced in the Hawkesbury and Hunter Valleys and on the South Coast. Metropolitan reservoirs were filled.

Several months of adequate rainfall and mild weather have rendered conditions most favourable in the north and central west where pastures are good and crops very promising. Eastern sections of the Riverina, with the south-western slopes, received good rains last week, useful rain fell in other parts of the Riverina and barometric pressures indicate the likelihood of general rains in the southwest in a day or two.

High prices are encouraging the destruction of rabbits, which are in menacing numbers.

The feature of the index of rainfall (below) is the long standing failure of rains on the southern section of the wheat belt, contrasting with complete relief enjoyed in the northern and central sections.

RAINFALL INDEX, NEW SOUTH WALES.

Weighted average ratio of actual to normal rainfall.

Normal rainfall each month = 100,

Period.	Sheep. Districts.	Wheat Districts.				Dairying Districts
		Northern.	Central	Southern	Total	
Year 1944	57	68	51	52	53	79
1944- Dec.	37	34	11	56	42	50
1945- Jan.	114	109	159	116	127	70
Feb.	123	155	110	71	92	99
Mar.	31	31	41	26	30	41
Apr.	87	101	103	38	63	142
May	105	160	139	55	90	90

WOOL. Reduced production because of drought and delays in shearing operations affect the volume of wool available for the final appraisement series of 1944-45. The quantity of wool received in Sydney this season to June 13 was 899,813 bales, or 182,356 bales fewer than to the corresponding date of last season. The quantities appraised were 886,315 and 1,041,107 bales, respectively.

Shipping facilities have been provided for the supply of wool from Australia (and South Africa) to certain countries in Europe.

The consumption of wool in the United States was (clean scoured) 652.2 m. lbs. in 1941; 613.8 m. lbs. in 1942; 628 m. lbs. in 1943 and 623.7 m. lbs. in 1944 - the latter equal to 1,100 m. lbs. greasy. The wartime rate of consumption has been about 50 per cent. above the pre-war average.

WHEAT. Cereal crops are growing well in northern and central sections of the wheat belt, where many crops are being grazed off to safeguard against rank growth and frost damage. Last week's rain should give crops sown on dry seed beds a good start in important parts of the Riverina.

Throughout the State it is believed that the area sown to wheat this season will prove at least 25 per cent. greater than in 1944-45., when the sowing of 4 million acres was licensed and about 3.1 m. acres were sown.

Stocks of wheat in Australia early in June were 50 m. bus. of which 20 m. bus. will be required for flour.

A further advance of 5d. per bus. on the 43 m. bus. of non-quota wheat in No. 6 (1942-43) Pool, involving the payment of £900,000 has been approved. With this advance growers with bulk wheat in No. 6 pool will have been paid 3s.10d. for quota wheat and 3s.9d. a bus. for non-quota wheat.

With harvesting of winter wheat about to begin, the United States 1945 wheat crop has been forecasted as a record at 1,085 m. bus., with winter wheat yielding nearly 800 m. bus.

DAIRYING INDUSTRY. Raising total subsidy to the dairying industry to about £13 m. per annum, the Commonwealth Government has approved of the payment of additional subsidy -

On whole milk - of 2d. a gal. in the months May to August; and of 1s. a gal. in the months Sept. and October.

On milk and cream

used in manufacture - of 2d. a lb. and 1d. a lb. of commercial butter in May-Aug., and Sept.-Oct., respectively.

In addition, for the relief of dairy farmers affected by drought, a further £250,000 is to be provided to which a like sum is expected to be contributed by the State Governments, to be distributed on a basis to be agreed upon.

Due to flood damage whole milk Sydney and Newcastle consumers is now rationed to 75 per cent. of usual supplies.

Flood damage on the North Coast includes the loss of a large number of dairy cattle and destruction of pasturage and fodder crops. In some cases production may not regain the normal level for two or three months. Devastation in the North has accentuated the decline in butter production in New South Wales.

The pay for cream supplied to certain North Coast factories inclusive of subsidy but exclusive of deferred pay, was the same in May (19.63d. per lb. of commercial butter) as in April, 1945. The rate may be compared with 12d. in April, 1939 and 19.5d. in April, 1944.

N.S.W. BUTTER - PAY TO CREAM SUPPLIERS BY CERTAIN NORTH COAST FACTORIES.

Pence per lb. of commercial butter.

Financial Year.	Monthly Pay.			Deferred Pay			Subsidy.			Total Pay.		
	Mar.	Apr.	May	July-Dec.	Jan.-June	July-Oct.	Nov.-Mar.	April-June	Mar.	Apr.	May.	
	d.	d.	d.	d.	d.	d.	d.	d.	d.	d.	d.	d.
1938-39	12.50	12.25	12.00	.31	1.06	...	...	...	13.56	13.31	13.06	
1942-43	13.29	13.79	13.79	1.44	1.12	.86	.86	3.80	15.27	18.71	18.71	
1943-44	13.50	14.00	14.16	1.00	1.19	3.80	3.80	5.34	18.49	20.53	20.69	
1944-45	13.67	15.03	15.03	.75	(a)	5.33	3.54	4.60	19.00	19.63	19.63	
							(c)	(b)	(b)	(b)	(b)	

(a) Not available. (b) Excluding deferred pay. (c) 5.33d. in March.

GENERAL. Fodder. About 6 m. bus. of grain sorghum or other seeding grains are to be supplied Australia under lend-lease by the United States. The first shipment should arrive next month. Fodder (chaff, hay, etc.) is arriving in N.S.W. from Western Australia but supplies in sight from all sources fall far short of requirements. About 2,000 farm horses, as well as 4,000 dairy cattle already arranged for are to be moved from the Riverina for agistment in the central west. Green maize and sorghum have provided a useful supplement to fodder resources.

Sugar. Production of raw sugar in Australia in 1945 is expected to be about 670,000 tons, compared with 635,000 tons in 1944 and 530,000 tons in 1943.

Vegetables. By December next the Commonwealth is to supply the British War Office under contract with 2,040,000 cases, equal to 49,360,000 lbs., of canned vegetables.

Soldier Settlement. The N.S.W. Dept. of Lands has submitted for Commonwealth approval a proposal to resume 21 large estates in areas with an average annual rainfall of from 27 to 30 inches for soldier settlement.

Metal Prices. British maximum prices for lead and zinc have been increased from June 11, 1945 by £5 and £5.10s. to £30 and £31.5s. (sterling value) per ton, respectively, after remaining unchanged since coming under control soon after the outbreak of the war. The prices are the highest for these metals since 1937.

PART II      FINANCE AND TRADE.

GENERAL. Pensions and Endowment. Bills to authorise payment of old age and invalid pensions and child endowment at rates increased from 27s.6d. to 32s.6d. and from 5s. to 7s.6d. a week, respectively, have been introduced in the Federal Parliament. The new rates are to operate from the first payment in July, 1945.

Rationing. New ration books for civilians were distributed on June 3 and 4, 1945. Lower coupon rates have been fixed for certain dress materials, knitting yarns, some types of hosiery, and for underwear.

Price of Gold. With the increase in the British Treasury's buying price to £stg.8.12s.3d. a fine oz., the Australian price of gold has been raised to £A10.15s.3d. a fine oz. This is a new high level. Deducting gold tax Australian producers will receive £A9.17s.7½d. a fine oz.

COMMONWEALTH ACCOUNTS. A significant downward trend of war expenditure is the outstanding feature of Commonwealth Accounts.

Revenue was £1.4 m. less and expenditure £9.8 m. less in May 1945 than in May, 1944.

Comparing the eleven months ended May, 1944 and 1945, revenue increased by £21.7 m. (income tax collections by £22.4 m.) while expenditure decreased by £71.2 m., with war expenditure £74.9 m. less and expenditure of ordinary departments £3.7 m. greater. Provision of war expenditure from revenue increased by £18 m., but from loan funds was £92.9 m. less. In 1944-45 the proportion of war expenditure met from revenue was 41.6 per cent., compared with 31.8 per cent. in the eleven months of 1943-44.

COMMONWEALTH REVENUE AND EXPENDITURE.  
(excluding Income Tax re-imbursed to States)

Particulars.	Month of May.		Eleven months ended May.		
	1944.	1945.	1944.	1945.	Increase (+) or Decrease (-)
Revenue:-			£m.	£m.	£m.
Customs and Excise	5.8	5.7	61.7	61.6	(-) 0.1
Income Tax	25.1	24.4	118.6	141.0	(+) 22.4
Other Taxes	5.1	5.0	47.9	50.0	(+) 2.1
Business Undertakings	2.7	2.6	27.4	27.9	(+) 0.5
Other	.6	.2	9.1	5.9	(-) 3.2
Total, All Services	39.3	37.9	264.7	286.4	(+) 21.7
Expenditure:- War (1939) from -					
Revenue	30.1	27.9	159.3	177.3	(+) 18.0
Loan	19.6	11.1	341.7	248.8	(-) 92.9
Total War	49.7	39.0	501.0	426.1	(-) 74.9
Other Revenue Services	9.1	10.0	105.4	109.1	(+) 3.7
Total, All Services	58.8	49.0	606.4	535.2	(-) 71.2

There has been less dependence upon short term credit. The amount of Treasury bills outstanding in Australia on Commonwealth account was unchanged from April to May, 1945 at £363.3 m., but over the eleven months ended May had increased by £19.9 m. in 1944-45 compared with the increase of £88 m. in 1943-44. At the end of May the credit balance at bank was £8.02 m. in 1945 and £1.52 m. in 1944.

TREASURY BILLS OUTSTANDING IN AUSTRALIA ON COMMONWEALTH ACCOUNT.

	<u>Sept.</u>	<u>Dec.</u>	<u>Mar.</u>	<u>April</u>	<u>May.</u>
1943-44 £ millions	325.0	362.3	403.0	373.3	347.3
1944-45 £ millions	378.3	367.3	388.3	363.3	363.3

TRADING BANKS. A decrease of £2.4 m. in fixed deposits, a reduction of £7.9 m. in cash and Treasury bills, a seasonal increase in advances of £5.1 m., and the addition of £5.8 m. to special wartime deposits were the principal movements in trading bank returns in April, 1945.

The predominant development over the twelve months ended April, 1945, is the redistribution of assets. The trading banks have been required to increase special wartime deposits with the Commonwealth Bank by £63.8 m. (which exceeds the increase in deposits during the period by £12.3 m.) raising the proportion so held from 29 to 42.7 per cent. Concurrently there were decreases of £16 m. in cash and Treasury bills and of £24 m. in advances, and an increase of £25.8 m. in Government and municipal securities.

NINE TRADING BANKS - AUSTRALIA.

Liabilities and Assets within Australia. £ million.

v. of weekly figures.	Deposits.			Coin, Notes, etc. & Cash at C'wealth Bank.	Treas- ury Bills	Govt. & Municipal Securit- ies.	Special Wartime Deposits with C'wealth Bank	Advances Discounts etc.
	Bearing Interest (Fixed)	Not Bearing Interest (Current)	Total					
939-June	200.9	117.1	318.0	28.6	23.9	22.1	-	291.7
942 "	192.0	195.9	387.9	40.4	39.6	56.3	36.4	268.3
943 "	197.4	256.1	453.5	33.4	50.8	75.7	102.9	246.0
944 "	219.9	314.6	534.5	38.0	55.4	89.1	182.8	221.8
944-Feb.	216.0	311.0	527.0	48.1	75.8	80.5	151.2	222.8
Mar.	218.2	320.8	539.0	45.4	76.0	80.5	164.5	224.4
Apr.	217.7	326.6	544.3	40.6	74.2	80.3	172.4	227.6
945-Feb.	227.2	361.9	589.1	40.1	65.5	115.0	220.7	199.5
Mar.	228.1	369.8	597.9	39.9	66.8	115.8	230.4	198.5
Apr.	225.9	370.1	596.0	35.0	63.8	114.1	236.2	203.6

SAVINGS BANKS. Continuing the recent trend, deposits in savings banks increased less in April 1945 than in April, 1944. Over the four months ended April the increase in depositors' balances in N.S.W. was £10.44 m. this year compared with £13.92 m. in 1944. In Australia the respective increases were £26.52 m. and £36.48 m.

Less overtime work, wider appeal of war loans and the adverse rural season are likely factors in retarding the rate of increase.

SAVINGS BANK DEPOSITS: N. S. W. AND AUSTRALIA.

Period.	N. S. W.		AUSTRALIA.	
	Deposits at end of period.	Increase or Decrease (-) in period	Deposits at end of period	Increase or Decrease (-) in period
<u>Year ended June:</u>	£000	£000	£000	£000
1939	87,474	1,458	245,587	5,155
1942	94,538	6,788	274,275	22,044
1943	122,405	27,867	357,995	83,720
1944	162,867	40,462	471,534	113,539
Month: 1944-Feb.	150,375	4,092	436,399	11,159
Mar.	154,154	3,779	446,046	9,647
Apr.	156,025	1,871	450,775	4,729
1945-Feb.	184,725	2,924	532,312	7,817
Mar.	187,894	3,169	539,990	7,678
Apr.	189,566	1,672	543,201	3,211

WAR SAVINGS  
CERTIFICATES.

After increasing sharply in March net purchases of war savings certificates were again much above the recent monthly average in April, 1945, probably stimulated by War Loan appeals. In the four months ended April net purchases in Australia were £550,000 greater than in 1944 and of the increase £45,000 accrued in N.S.W.

NET PROCEEDS OF SALE OF WAR SAVINGS CERTIFICATES  
N. S. W. AND AUSTRALIA.

	Mar. '44	Dec. '44	Jan. '45	Feb. '45	Mar. '45	Apr. '45	July-April		Total to April, 1945.
							1943-44	1944-45	
Thousand £									
N. S. W.	201	197	229	216	72 <sup>3</sup> <sub>4</sub>	380	2,634	3,049	18,739
AUST.	598	586	564	478	1,497	914	7,110	7,660	51,381

x Revised.

INTER-BANK  
CLEARINGS.

The index number of inter-bank clearings continues to run a trifle above that of a year earlier, suggesting the stabilisation of business conducted through banking accounts at about the high level reached in 1944. Over the war period the index number has risen about 60 per cent. with rising prices a significant factor in the earlier years. In the last two years the increase has been about 4 per cent.

INTER-BANK CLEARINGS - SYDNEY.

Period	Amount of Clearings (a)					Index (b)				
	1939	1942	1943	1944	1945	1939	1942	1943	1944	1945
Year	£m.	£m.	£m.	£m.	£m.	100	131	151	156	...
Jan.-May	932.5	1248.5	1442.3	1499.6	...	100	131	151	156	...
April	375.2	486.0	584.1	610.7	610.5	96	123	148	152	154
May	70.7	95.4	125.3	108.4	126.2	98	125	150	150	154
	82.0	98.9	123.0	143.6	132.6	100	125	155	158	160

(a) Treasury bill transactions deducted.

(b) Three months moving average: base (100) is average in corresponding month 1926-30.

STOCK EXCHANGE. Trading on the Sydney Stock Exchange was light and there was little movement in prices in May, 1945. The Stock Exchanges of Australia asked that the question of abolishing ceiling prices might be considered, but in answer to a question in Parliament it was stated on June 13, 1945 that "the Treasurer did not consider the time opportune to relax the regulation" of share prices on Stock Exchanges.

#### INDEX OF SHARE PRICES - SYDNEY.

Prices of Ordinary Shares (excl. Bank). Par value = 100.  
(Compiled by N.S.W. Govt. Statistician.)

Average for Month	Manufacturing and Distributing	Retail	Public Utilities	Pastoral and Finance	Insurance	Total 75 Companies	34 Active Shares
1937-Mar.	213.8	203.8	181.0	169.2	281.2	190.4	200.5
1939-Aug.	212.6	168.2	156.0	118.2	263.9	174.4	181.9
1941-Sept.	227.7	177.2	141.5	127.9	253.2	174.9	191.3
1942-May.	178.2	143.3	114.9	115.0	213.2	143.0	152.8
1944-May.	237.1	193.8	150.1	138.7	254.1	185.9	201.1
1945-Mar.	242.2	205.9	170.1	148.7	264.6	195.4	209.8
Apr.	242.3	207.3	170.2	148.8	264.6	195.7	210.0
May	242.2	207.2	170.5	148.4	264.6	195.7	210.0

REAL ESTATE. The value of property transferred and of mortgages arranged, as registered in May, 1945, was significantly greater than in May, 1944 and somewhat above the average values in recent months.

In the five months Jan.-May, transfers registered this year were over 50 per cent. greater in value than in 1944. Purchases subject to mortgage are very circumscribed under the control regulations, but even so, the value of mortgages registered increased by about 20 per cent.

Now Landlord and tenant regulations, to operate from July 2, 1945, bring rents of rooms and tenements under the control of a Rent Controller, and are designed to make repossession of dwellings by owners more readily possible and to abate racketeering in the letting of dwellings.

The State Cabinet is to consider legislating to enable the disposal of urban Crown lands as home building sites under a tenure of lease in perpetuity.

#### REAL ESTATE TRANSACTIONS, N.S.W.

Thousand £

Month	Transfers Registered				Mortgages (Incl. Renewals).			
	1939-40	1942-43	1943-44	1944-45	1939-40	1942-43	1943-44	1944-45
July-Dec.	15,700	9,543	9,412	11,266	10,980	3,104	2,951	3,724
Jan.	1,884	1,226	1,090	1,786	1,480	595	383	608
Feb.	2,524	1,294	1,506	1,999	1,428	390	611	593
Mar.	2,464	1,550	1,552	2,059	1,686	503	663	688
Apr.	2,392	1,517	931	1,663	1,560	536	302	526
May	2,909	1,185	1,307	2,204	1,449	381	495	606
11 months	27,873	16,315	15,798	20,977	18,595	5,509	5,406	6,746

PART III INDUSTRIES, TRANSPORT, ETC.

GENERAL. Manpower. Announcing decisions for the re-balancing of Australia's war effort "to strengthen the basic industries" the Acting Prime Minister indicated five main heads, viz. releases from the Army and Air Force of 50,000 men additional to about 20,000 by normal wastage in the last half of 1945; review of service requirements and diversion of labour and material to civil needs; searching review of government departments to find and release excess manpower; check of services stores with a view to release of surplus stocks; and, close scrutiny before entry into new commitments for supplies to Allied nations.

About 700 persons are to be dismissed from munitions establishments in Western N.S.W. Plants affected are at Portland (to close), Lithgow, Bathurst and Orange.

Machine Tools. Permits are no longer required to make or trade in machine tools of most types. The Commonwealth proposes releasing to private enterprise machine tools valued at from £5 m. to £10 m. as they become available.

Disposals Commission. Surplus war materials of the value of £3.52 m. were sold by the Disposals Commission between Sept. 14 and April 30, 1944-45.

WAGE RATES. Award wage rates of adult males rose appreciably in each major industrial group during the first three war years, but increases have been relatively small since inauguration of the price stabilisation scheme in the first half of 1943. The table below illustrates the general trends. The largest absolute increases were to men employed in railway and tramway services (8.25d. per hour), mining (7.69d.) and food, etc. factories (7.5d.). Proportionately the wartime increases have been greater in the lower paid industries (largely due to the rise in the basic wage) and the general effect has been to reduce the differences in rates as between industries. The rates cannot be taken as reflecting the actual earnings in the respective groups.

WAGE RATES IN AUSTRALIA.

Weighted Average Hourly wage Rates of Adult Males.

Industrial Group.	Average for Year. End of March					Increase over 1938-39 average.	
	1938-39.		1942-43		1943.	1944.	1945.
	d.	d.	d.	d.	d.	%	%
<u>Manufacturing -</u>							
Wood Furniture, etc.	26.81	32.25	32.50	32.75	33.00	21.2	23.1
Metal Works etc.	26.50	32.44	32.75	33.00	33.00	23.5	24.5
Food, Drink, etc.	25.38	31.13	31.50	32.00	32.25	24.1	27.7
Clothing Boots, etc.	25.00	31.75	32.00	32.50	32.50	28.0	30.0
Books, Printing, etc.	31.00	36.38	37.00	38.00	38.00	19.4	22.6
Building	28.94	35.19	35.50	35.50	35.75	22.7	23.5
Mining, Quarrying, etc.	29.56	36.06	36.50	37.25	37.25	23.5	26.0
R'ways T'ways, etc.	25.25	32.50	32.75	33.25	33.50	29.7	32.7
Miscellaneous	23.63	30.13	30.50	30.75	31.00	29.1	31.2
<u>All Groups.</u>	25.75	32.00	32.25	32.75	33.00	25.2	28.1
 <u>Pastoral, Agric'l. etc. f</u>							
	£	£	£	£	£	%	%
Pastoral, Agric'l. etc. f	4.110	5.540	5.679	5.938	5,971	38.2	45.3

f Weekly rates.